

VZCZCXYZ0000
PP RUEHWEB

DE RUEHSN #0445/01 1411536
ZNY SSSSS ZZH
P 211536Z MAY 09
FM AMEMBASSY SAN SALVADOR
TO RUEHC/SECSTATE WASHDC PRIORITY 1105
INFO RUEHZA/WHA CENTRAL AMERICAN COLLECTIVE PRIORITY
RHEHNSC/NSC WASHINGTON DC PRIORITY
RUMIAAA/USCINCSO MIAMI FL PRIORITY

S E C R E T SAN SALVADOR 000445

SIPDIS

FOR SECRETARY CLINTON FROM CHARGE BLAU

E.O. 12958: DECL: 05/21/2019
TAGS: [PGOV](#) [PREL](#) [ES](#)
SUBJECT: YOUR VISIT TO EL SALVADOR

Classified By: Charge Blau for reasons 1.4 (b) and (d)

1. (S) Summary: Embassy San Salvador welcomes you to El Salvador and considers your visit a timely and necessary exertion of U.S. influence over a new Salvadoran government that is still seeking its own identity. President-Elect Mauricio Funes, who ran as a U.S.-friendly moderate, has stated his desire to make the U.S. and Brazil his closest allies. But he is also being pulled towards radicalism by elements in the left-wing FMLN, the party he joined in 2008 to propel his presidential candidacy. While Funes has cultivated some FMLN members to take a pragmatic approach to governing, the party's center of gravity is still radical left, and linked to Chavez and the Castro brothers. Your very presence at his inauguration, and your comments to the new president and to the public regarding the broad and deep commitment of the USG to support El Salvador will reinforce to him: (1) that his own instincts toward pragmatism are correct; and (2) that the USG is as good as its word when we say that we don't judge a government on its ideology, but rather on its respect for democratic values. End Summary.

Good Relations with U.S. Essential

2.(C) President-elect Funes has said to us a number of times that his or any Salvadoran government needs a good relationship with the United States. Statistics, anecdotal evidence, and long-standing patterns of interaction support this assertion. One out of every three Salvadorans lives in the U.S., and Salvadorans who remain at home are avid consumers of all manner of American products, media, and culture. Half of all Salvadoran exports are to U.S. markets. Given the transnational crime links radiating to and from the U.S. via Central America, there are no serious alternatives to cooperation with our law enforcement. The Salvadoran military admire and trust our armed forces, and naturally look to us for training, equipment, and mentoring. When natural disasters strike, the U.S. Embassy (especially USAID) has always been the Salvadoran's first phone call, and always will be. As a result, the Salvadoran public is among the most pro-American in the hemisphere. Even the hard-line FMLN recognize these points, if at the same time they do not forget our role in preventing them from seizing power with violence during the country's protracted and bloody civil war.

Scope of Bilateral Relationship

3.(SBU) The size and scope of the U.S. Embassy -- representing 17 federal agencies in total -- reflects the breadth of our bilateral relationship as well as our commitment to Central America. Among the major programs executed by this mission are the following:

-- Millennium Challenge: We are one and 1/2 years into a five-year compact valued at 461 million dollars, the largest MCC compact in the hemisphere. The main component is a highway that extends across the northern third of the country. In late April, MCC acting CEO Rodney Bent visited and took part in a ceremony to inaugurate construction of that highway. We are seeking to include a brief event during your visit to highlight the important contribution MCC is making to El Salvador.

-- Law Enforcement: El Salvador is a beneficiary of the Merida Initiative, with funding for the National Civilian Police (PNC), prisons, judiciary, and the International Law Enforcement Academy (ILEA). El Salvador's hosting of ILEA is an ongoing success story. FBI Director Mueller visited last December and inaugurated an INL-funded state-of-the-art automated fingerprint identification system (AFIS). The FBI and the Salvadoran PNC jointly operate the Transnational Anti-Gang Center, a unique bilateral entity tasked with investigation and information sharing.

-- USAID: Current programs include trade capacity building, health, education, environment, tax administration, rule of law, and democracy building. USAID enjoys a prestigious reputation in the country; it is also about to take in dozens of new USAID trainees, pursuant to your directive to increase world-wide AID staffing.

-- Peace Corps: The Peace Corps maintains an active presence throughout El Salvador, with volunteers working on rural health, development, literacy, and sanitation.

-- Military: El Salvador had troops in Iraq from August 2003 until early 2009 and were considered professional and competent by U.S. and coalition members. Their experience and President Funes, desire for excellent relations with the USG could translate into a commitment to deploy to Afghanistan. We have ongoing cooperation and training programs intended to maintain a rich mil-to-mil relationship in humanitarian assistance/disaster relief, counter-terrorism, and counter-narcotics. The hospital ship USNS Comfort will arrive on 21 June. We recently renewed the agreement to operate a Cooperative Security Location (CSL) for another five years. The CSL, located at the military end of the international airport, serves as a regional hub for counter-drug detection-and-monitoring flights.

-- CAFTA: El Salvador was the first country where CAFTA entered into force and has become a huge beneficiary. By 2007, 78 percent of exporters under CAFTA were micro, small, or medium enterprises, which principally export non-traditional products such as 'ethnic' foods. This has helped diversify El Salvador's economy and create new job opportunities, especially for women and the rural poor. CAFTA has also helped El Salvador increase its exports to its Central American neighbors, strengthening regional integration.

U.S. Priorities

14. (C) Consistent with themes the President and you emphasized at the Summit of the Americas, our work in El Salvador is focused on (1) promoting improved public security; and (2) broadening economic prosperity. The two are intrinsically linked, and are the beneficiaries of our largest funding initiatives.

15. (C) Public security: Although El Salvador has made remarkable progress since the 1992 Peace Accords, violent crime remains unresolved. Street gang activity such as extortion, robbery, and kidnapping undermine public security and erode confidence in the ability of the police and the judiciary. The Merida Initiative, coupled with ongoing efforts to strengthen the police and enact judicial reform, should swing momentum in the direction of improved public security and the rule of law. Recent Legislative Assembly

approval of wire tap legislation, with broad political support, is an important step. The significant USG commitment to improving regional security, as evidenced by the presence of the Comalapa Cooperative Security Location (CSL) and the International Law Enforcement Academy (ILEA), should also provide us with additional credibility with the oncoming Funes administration.

¶6. (C) Promoting economic growth, spurring job creation, and encouraging investment are also important near-term USG priorities. Funes' electoral victory had a great deal to do with public dissatisfaction over economic conditions in El Salvador. Funes will inherit an economy already in recession and a fiscal deficit which severely limits what he can do to stimulate growth. Redirecting loans from multilateral institutions from debt-refinancing to budget assistance will provide some immediate relief. In fact, El Salvador's economic recovery will largely depend on the U.S. economy, the destination for about half of its exports and major source of remittances (\$3.8 billion in 2008). In the short run, the Millennium Challenge Corporation project will provide much-needed fiscal stimulus and new jobs, while CAFTA and our USAID assistance programs will help strengthen the foundations for future prosperity.

The Way Ahead

¶7. (C) Although the Salvadoran electorate may have granted President-elect Funes a mandate for reform, by all appearances the Salvadoran public at-large expects him to work with the country's dynamic private sector, and to maintain good relations with the United States. Funes will name his cabinet in the days before your visit, providing an indication of the independence the President-elect will enjoy from the more radical elements of the FMLN. The outgoing party, center-right ARENA, must come to grips with its electoral defeat and assume its new role as an opposition party. ARENA and other opposition parties, civil society leaders, business interests, and the press are all reasonably solid institutions. They also pay attention to signals from the USG, which traditionally has great influence in El Salvador. Your visit will provide concrete evidence of an ongoing U.S. commitment to El Salvador and will demonstrate to Funes that once he settles into office and gets down to the difficult business of governing, the USG stands ready to work with him to advance shared bilateral and regional objectives.

Suggested Communications Themes

¶8. (SBU) Your interaction with President-elect Funes and with the public are golden opportunities to reiterate a theme the USG has stressed repeatedly, but is now put to the test: The U.S. commitment to El Salvador is historic, enduring, and not ideological. Telling Funes that we look forward to working with him to confront common challenges such as public security, narcotics trafficking, and economic development will set the stage for continuity and a sense of partnership with the new government. The large majority of Salvadorans will be cheering for the success of your visit, not unlike the NYU graduates who cheered your commencement address at Yankee Stadium last week.

BLAU